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Before the
FEDERAL COMMUNICATIONS COMMISSION
 Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
 OFFICE OF THE SECRETARY

In the Matter of)	
)	
Petition of the Association for Local)	
Telecommunications Services (ALTS) for)	
a Declaratory Ruling Establishing Conditions)	CC Docket No. 98-78
Necessary to Promote Deployment of)	
Advanced Telecommunications Capability)	
Under Section 706 of the Telecommunications)	
Act of 1996)	

COMMENTS OF SPRINT CORPORATION

Sprint supports the above-captioned petition of ALTS. In its petition, ALTS asks the Commission to:

- Issue a declaratory ruling that the interconnection, collocation, unbundling and resale requirements of §§251, 252 and 271 of the Act fully apply to digital and broadband services and facilities.
- Issue a declaratory ruling that the achievement of the goals of §706 of the 1996 Act can be accomplished only by ensuring that CLECs have the same rights under §§251, 252 and 271 for advanced telecommunications services as they have for conventional "POTS."
- Reopen CC Docket No. 91-141 to re-examine collocation rules.
- Avoid any rulings under §706 that would disrupt state actions that foster the ability of CLECs to gain access to broadband capabilities of ILECs.

The purpose of §706 is to "encourage the deployment on a reasonable and timely basis of advanced telecommunications capability to all Americans... consistent with the public interest, convenience and necessity..." §706(a). The vision of §706 taken by the RBOCs is that advanced services can best be brought to consumers through a monopoly industry structure. Seizing on the reference in §706(a) to forbearance, they seek – well

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before the onset of effective competition in the local market – deregulation of their deployment of broadband networks and services using those networks that would, if granted, allow them to be unregulated, sole-source providers of such services without having to fulfill their responsibilities to other carriers pursuant to the provisions of §251 of the Act. They also seek forbearance from §271 so that they can provide long distance services using broadband facilities in-region, which would allow them to dominate the long distance market for high-end business and residential customers without having to satisfy the competitive checklist set forth in §271 of the Act.¹

However, §706(a) suggests many approaches other than forbearance as possible means to effectuate its goal. One of these – “measures that promote competition in the local telecommunications market” – is the one identified in the ALTS petition as offering the best promise for achievement of §706. Sprint wholeheartedly agrees. History has shown that it is competition, not monopoly, that fosters innovation and deployment of new services to consumers on the widest possible basis. Both the customer premises equipment industry and the long distance industry are dramatic examples of how competition spurs participants to innovate and to bring the fruits of their innovation to market as quickly and ubiquitously as possible. Local service remains the last significant bottleneck in the U.S. telecommunications industry, and much needs to be done in order to replace that bottleneck with a competitive framework that will fuel the same innovation that has already taken place in other market segments.

¹See Sprint’s Comments, filed April 6, 1998 with respect to the §706 petitions of Bell Atlantic (CC Docket No. 98-11), U S West (CC Docket No. 98-26), and Ameritech (CC Docket No. 98-32). A similar §706 petition was recently filed by SBC in CC Docket No. 98-91.

Just two weeks ago, Sprint unveiled its new Integrated On-Demand Network (“ION”), a revolutionary new telecommunications capability that can provide homes and businesses with virtually unlimited bandwidth over a single existing telephone line for simultaneous voice, video and data services. With ION, a household or business will be able to conduct multiple phone calls, receive faxes, run new advanced applications and use the Internet at speeds up to 100 times faster than today’s conventional modems, all simultaneously through a single connection. The need for multiple phone lines will be eliminated, and applications such as high speed on-line interactive services, video calls and telecommuting will be readily accessible and less costly. Perhaps most important of all, ION will allow consumers – business and residential alike – to manage, allocate and prioritize their use of this bandwidth themselves, giving them unprecedented flexibility in choosing how they wish to communicate. ION is the very kind of advanced telecommunications capability Congress had in mind in enacting §706.

The key to widespread deployment of ION will be the availability of broadband access to the customer’s premises. Although existing special access facilities will meet the needs of large businesses, the ability of Sprint to offer ION to the small business and residential market segments will be dependent on the availability of high speed digital access to homes and small business locations. ION is not dependent on any single broadband technology for such access. And while Sprint will explore all forms of such access, the availability of xDSL services from incumbent LECs pursuant to the terms of §§251 and 252 of the Act, harbors more promise than any other alternative (known to Sprint) that would enable Sprint to deploy its revolutionary service to as large a segment of the American public as possible and as soon as possible.

As a matter of simple economics, the alternative of buying unbundled copper loops and collocating Sprint's own xDSL equipment (such as DSLAMs) in ILEC central offices would be commercially infeasible in all but a handful of offices. The fixed costs of collocation under today's rules are very high, and (as ALTS documents at 19-20) construction times are significant and space constraints exist in many offices. In any case, the utilization of the collocated equipment could be uneconomically low. A DSLAM, for example, that can terminate roughly 500 loops would be grossly underutilized in an end office where Sprint has only one or two ION customers.

Whether Sprint will be able to utilize the RBOCs' broadband capabilities to bring ION to market on a widespread basis depends, to a significant degree, on whether the Commission shares the vision of ALTS, on the one hand, or the RBOCs, on the other. If the Commission allows xDSL service to be the monopoly preserve of the RBOCs, ION, and other carriers' competitive responses to ION, will only gradually have a chance to penetrate the market. If, on the other hand, the Commission remains committed to competition as the optimum means of encouraging innovation, it should act promptly to affirm that the 1996 Act means what it says.

The declaratory rulings requested by ALTS – that the Act fully applies to these broadband offerings of the ILECs – should be non-controversial. It cannot be seriously argued that these provisions of the Act only apply to the ILEC offerings that existed in February of 1996. Grant of these rulings will serve as an important signal to the ILEC industry that it must begin treating seriously its obligations to make these services available to other carriers. ALTS amply documents the problems that CLECs have had in trying to gain access to the RBOCs' advanced offerings and their underlying UNEs.

Sprint will not belabor the record with repetition of ALTS' comprehensive discussion of this matter.

In addition to the its requested declaratory ruling, ALTS requests reopening of existing rules and terms regarding collocation. Sprint agrees that re-examination of the current collocation rules is in order to ensure that they adequately meet the needs of carriers in the current environment. Reopening the proceedings in CC Docket No. 91-141, as ALTS has proposed, will be a means of giving these issues the in-depth attention they require. In the meantime, the grant of ALTS's §706 petition, and prompt denial of the §706 petitions of the RBOCs, should serve as ample notice that the Commission continues to view competition, not monopoly, as the medium in which advanced services can develop and flourish.

Respectfully submitted,

SPRINT CORPORATION

A handwritten signature in dark ink, appearing to read "Leon M. Kestenbaum", is written over a horizontal line.

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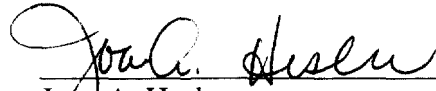
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June 18, 1998

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Comments of Sprint Corporation was Hand Delivered or sent via First Class Mail on this the 18th day of June, 1998 to the below-listed parties:


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